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Testimony: David Kolsrud
Rural Development - Energy Forum - Farm Bill - USDA

Under Secretary Dorr

My name is David Kolsrud. I am a farmer from Southwest Minnesota. I am also the manager of CORN-er Stone Farmers Cooperative in Luverne, Minnesota.

I have worked with many groups with goals of building renewable energy facilities (wind, ethanol, and etc.) I have been doing this since 1995.

These projects, in order to be feasible, need to produce a product (ethanol/electricity) that is affordable to the consumer. If they can't do that they shouldn't be built.

There are two things I have learned:

One - People tend to under capitalize projects.

Two - Farmers/producers don't invest at a high enough rate to help themselves out.

Farmers will invest \$300,000 in a hog unit or \$200,000 in a combine, but they are reluctant to invest any more than the minimum in a project.

I would hope that these funds could be utilized to help leverage and entice farmers to invest at significantly higher levels.

This program needs to get off to a successful start. If farmers can get dollars out of the energy market place rather than traditional government payments, then I would expect this program to grow while traditional farm programs can be reduced.

Wow! Wouldn't that be ideal? All the while helping homeland security, rural development, consumers and last but not least the American Farmer!

If my input could be of any value I would be more than willing to help.

Thank you
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